



**JAI HIND COLLEGE
BASANTSING INSTITUTE OF SCIENCE
&
J.T.LALVANICOLLEGE OF COMMERCE
(AUTONOMOUS)**

"A" Road, Churchgate, Mumbai - 400 020, India.

**Affiliated to
University of Mumbai**

Program: B.Com

Proposed Course: Business Economics

Semester VI

**Credit Based Semester and Grading System (CBCS) with
effect from the academic year 2020-21**

T.Y.BCom. Economics Syllabus

Academic year 2020-2021

Semester VI			
Course Code	Course Title	Credits	Lectures /Week
CECO601	Business Economics-VI (International Economics)	5	3



Semester VI – Theory

Course: CECO601	Business Economics- VI(Credits:5 Lectures/Week: 03)	
	Objectives: <ul style="list-style-type: none"> • To introduce the students to the concepts of international trade • To familiarize the students with trade and tariff policies with reference to recent developments Outcomes: <ul style="list-style-type: none"> • The course covers the basic theories of trade and attempts to present a comprehensive overview of the external sector, trade and tariff policies, balance of payment issues and recent global happenings 	
Unit I	Introduction to International Trade <ol style="list-style-type: none"> 1. Ricardo’s Theory of Comparative Costs Advantage 2. Heckscher- Ohlin Theory of Factor Endowment 3. Terms of Trade - Types and Limitations. 	13L
Unit II	Balance of Payments and Trade Barriers <ol style="list-style-type: none"> 1. Balance of Payment: Meaning, Structure, Types of Disequilibrium 2. Causes and measures to correct the disequilibrium in Balance of Payments 3. Tariff and Non-Tariff Barriers: Meaning, Types and Effects 	13L
Unit III	Foreign Exchange market <ol style="list-style-type: none"> 1. Definition, Functions, Determination of Equilibrium Exchange Rate 2. Spot and Forward Exchange Rates, Arbitrage 3. Role of Central Bank in foreign exchange rate management, Managed flexible exchange rate system of India 	13L
Unit IV	Foreign Trade Policy and International Economic Organizations <ol style="list-style-type: none"> 1. Free Trade and Protection – Advantages and Disadvantages 2. Bretton Woods Institutions – World Bank, IMF, WTO- Role and Relevance 3. International Economic Integration – Types and Objectives -EU and Brexit, ASEAN, BRICS 	6L
References: <ol style="list-style-type: none"> 1) Cherunilam Francis, (2009), International Economics, 5th Edition, Tata McGraw-Hill Education Private Limited, New Delhi 2) Jhingan, M.L,(2009), International Economics, 6th Re-vised and Enlarged Edition, Vrinda Publications, New Delhi 3) Krugman R Paul, Maurice Obstefeld, (2009), International Economics Theory and Policy, 8th Edition, Pearson. 4) Salvatore, Dominick, (2008), International Economics, 8th Edition, Wiley India 		

Evaluation Scheme

I. Continuous Assessment (C.A.) - 40 Marks

(i) C.A.-I : Test – 20 Marks of 30 minutes duration

(ii) C.A.-II : Presentation on topics from Unit IV– 20 Marks

II. Semester End Examination (SEE)- 60 Marks